Information about any other company which has shown its liabilities under DPCOs, in its accounts/balances sheets etc, will be collected and laid on the Table of the House.

Studying conversion cost and packing charges by BICP

1654. SHRIMATI SATYA BAHIN: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that BICP has been asked to study conversion cost and packing charges in respect of drug formulations;

(b) if so, when;

(c) whether it is also a fact that manufacturers have refused to give data to BICP;

(d) what are the names of the manufacturers who are called upon to give data and what are the names of those who have given data so far;

(e) when BICP did study and what are the names of the companies whose data were studied;

(f) whether BICP has submitted its report; and

(g) if so, when and what are the main recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (g) In December, 1990, BICP was requested to undertake a fresh study with regard to conversion cost and packing charges in respect of drug formulations. The study report of BICP on the subject is awaited.

Incentives to Drug Industry for Research and Development

1655. SHRIMATI SATYA BAHIN: Will the PRIME MINISTER be pleased to state:

(a) what are the various Research incentives given to the drug industry for Research and Development in costing of bulk drug prices;

(b) what is the justification for each of these incentives;

(c) whether it is a fact that Government are giving these incentives even if a drug is produced from imported penultimate/intermediate;

(d) if so, what are the names of drugs being produced from intermediate stage where incentive has been given during the last three years, year-wise; and

(e) what are the details of incentives given on each of these drugs?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) The incentives given to drug industry based on the recommendations of Kelkar Committee for Research & Development in costing of bulk drugs pricing are as follows:—

(i) Exemption from price con trol to the companies in respect of the drugs for which technology has been developed by them .
through own R&D efforts or through National Labs, for a period of 5 years from the date of commercial production.

(ii) Allowing retention of 50 per cent reduction in cost of drugs due to process development efforts by drug companies.

(c) to (e) The details of benefit on account of exemption from ; prices control to the companies in respect of drugs for which technology has been developed by them through ow R&D efforts or through National Labs, during the last three years, are given in the annexed Statement. These drugs are being produced from the basic stage.

The benefit, on account of allowing retention of 50 per cent reduction of costs on drug due to R&D efforts by the drug companies have not been extended to any company so far.